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South Carolina House of Representatives

# Legislative Update

David H. Wilkins, Speaker of the House

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## CONTENTS

HOUSE WEEK IN REVIEW .....	02
HOUSE COMMITTEE ACTION .....	06
BILLS INTRODUCED IN THE HOUSE THIS WEEK .....	09

*NOTE: Bill summaries included in this document are prepared by the staff of the South Carolina House of Representatives and are not the expression of the legislation's sponsor(s) or the House of Representatives. The summaries are strictly for the internal use and benefit of members of the House of Representatives and are not to be construed by a court of law as an expression of legislative intent.*

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## HOUSE WEEK IN REVIEW

The House of Representatives amended, approved, and sent to the Senate H.3555, a bill **PROHIBITING A COUNTY FROM IMPOSING LIVESTOCK OR POULTRY STANDARDS THAT SUPERCEDE OR ARE MORE STRINGENT THAN THOSE ESTABLISHED BY THE GENERAL ASSEMBLY**. Notably, the legislation impacts a county's authority to regulate **LARGE-SCALE HOG FARMING** operations. The bill provides that, beginning January 1, 2003, a county may not enact an ordinance that supersedes or imposes a more stringent standard than standards established by the General Assembly relating to the production of livestock or poultry. Any such ordinance enacted on or after January 1, 2003, is null and void. The legislation grandfathers in county ordinances enacted prior to January 1, 2003. The provisions of the bill do not apply to zoning ordinances enacted by a county.

The House returned S.438, the "**SOUTH CAROLINA HIGH-COST AND CONSUMER HOME LOANS ACT**", to the Senate with amendments. This legislation targets certain practices commonly referred to as predatory lending. The bill:

- Defines "high-cost" loan (interest rate exceeds T-Bill + 8% on first mortgages or 10% on subordinate loans or points and fees equal to or greater than 5% total loan amount) and consumer loan.
- Prohibits certain provisions, such as, negative amortization, interest increase, balloon payments, and acceleration.
- Requires additional broker disclosure to the borrower on profits earned and the lender must reasonably believe the borrower can repay the debt.
- Recommends counseling - 5 DAY cool off period (borrowers discretion). List must provide a choice of at least 10 counselors.
- Prohibits financing of credit life - effective date JULY 1, 2004.
- Prohibits charging fees on an existing loan being refinanced within one year.
- Prohibits financing of points and fees exceeding 5% of total loan amount.
- Regulates payments from the proceeds to a contractor.
- Prohibits flipping within 36 months of the last financing or when the refinancing has no reasonable, tangible net benefit. Additionally, provides presumptions.
- Provides for remedies and penalties - allows for actual damages, pecuniary penalties, and rewriting the mortgage in the borrowers favor.
- Provides the lender a good faith safe harbor for correcting any errors within 30 days after closing or 90 days after discovery, in favor of the borrower.
- Loan agreement may not identify a state other than South Carolina as choice of law, unless allowed by federal law.
- Fiduciary duty placed on the mortgage broker and originator. Penalties (\$500 - 7500)
- Prohibits counties and municipalities from enacting ordinances or laws regarding consumer or high-cost home loans.
- Prohibits prepayment penalties for loans less than \$150,000.



- Provides consumer protection in regards to title lenders and requires additional disclosures for credit and purchase money sales regarding manufactured homes.

Title lenders: Provides a definition of a short-term vehicle secured loan, limitations on a title loan period, limits interest accruing after 11<sup>th</sup> renewal period and provides the borrower three equal installments to satisfy the loan, the lender must have a good faith belief of the borrower's ability to repay the loan, cannot make a loan more than the fair market value of the vehicle, and the sole remedy for the lender, except in the event of fraud, is repossession and the sale of the vehicle – surplus going to the borrower.

Manufactured Homes: Provides for additional disclosure for manufactured home purchases at least 2 days prior to closing, on credit sales and purchase secured by real estate. Additionally, prohibits class action and provides the lender a good faith safe harbor for correcting any errors within 60 days after discovery, in favor of the borrower.

The House and Senate adopted the free conference report on **S.341** and the bill was enrolled for ratification. This bill pertains to **LEGAL DEFENSE AND INDEMNIFICATION FOR THE STATE BUDGET AND CONTROL BOARD AND THE RETIREMENT SYSTEMS INVESTMENT PANEL**. The bill provides that the State must defend the members of the State Budget and Control Board and the officers and management employees of the board and legislative employees performing duties for board members against a claim or suit that arises out of or by virtue of their performance of official duties on behalf of the board and must indemnify these members for a loss or judgment incurred by them as a result of the claim or suit, without regard to whether the claim or suit is brought against them in their individual or official capacities, or both. Such legal indemnification is also applied to the members of the Retirement Systems Investment Panel.

The House concurred in Senate amendments to **H.3163** and enrolled the bill for ratification. This bill provides that a **JUDGE, COURT, OR COURT OFFICIAL SHALL NOT APPOINT AN ATTORNEY TO REPRESENT A PARTY IN A CIVIL ACTION** unless the authority to make the appointment is provided specifically by statute. The bill also grants the Commission on Indigent Defense the authority to transfer a sum of up to fifty-three thousand three hundred fifteen dollars (\$53,315) from unspent carry-forward funds from the last fiscal year to the Office of Appellate Defense to help the Office of Appellate Defense offset its budget reductions.

The House approved **S.408** and ordered the joint resolution enrolled for ratification. This joint resolution **INCLUDES THE STATE FLAG OF SOUTH CAROLINA AMONG THOSE FLOWN AT THE UNITED STATES VETERANS MONUMENT** on the South Carolina Capitol Complex.

The House amended, approved, and sent to the Senate H.3191, the **"ACCESS TO MEDICAL TREATMENT ACT"**. This bill allows an individual who has an illness or disease that could be life threatening to receive experimental or non-conventional treatment from a licensed doctor. The doctor must personally examine the individual and agree to treat the individual. A legally authorized representative of the individual may also request these types of treatment for the individual. The bill allows the doctor to prescribe alternative or non-conventional medical treatment if the treatment does not pose any unreasonable and significant danger to the person and the patient provides written, informed consent about the treatment as specified in the bill. The bill also provides that treatments administered in compliance with the bill do not constitute medical negligence or misconduct that could lead to disciplinary action by the State Board of Medical Examiners. However, the physician is to be held to the applicable standard of care for any physician providing treatment for a particular disease or condition. The bill prohibits a person from using the terms "physician," "medical doctor," "doctor of medicine," or "surgeon," in connection with his practice unless the person is licensed by the Board of Medical Examiners. The bill also makes the unlicensed practice of medicine a felony (currently it is a misdemeanor). The bill also makes the practice of naturopathy (except for physicians and surgeons licensed as provided in the bill) a felony instead of a misdemeanor and increases the penalties upon conviction.

The House amended, approved, and sent to the Senate H.3333, a bill that **REVISES CURRENT REQUIREMENTS REGARDING VEHICLE DRIVERS AND SCHOOL BUSES**. The bill requires that the driver of a vehicle meeting or overtaking from either direction a school bus stopped on a highway *or* private road must stop before reaching the bus where there are in operation on the bus flashing red lights, and the driver must not proceed until the bus resumes motion or the flashing red lights are no longer actuated. The bill provides that a driver need not stop upon meeting a stopped school bus when traveling in the opposite direction on a multi-lane highway or multi-lane private road, and the driver of a vehicle must not overtake a school bus which has amber visual signals actuated. The bill requires that a school bus must be equipped with certain red and amber visual signals which must be actuated by the driver whenever the bus is stopped or preparing to stop on the highway to receive or discharge school children. The bill provides that a driver must not actuate the special visual signals when the bus is in designated school bus loading or off-loading areas if the bus is off the roadway entirely. The bill provides required marking specifications for school buses. The bill provides that a school bus route which requires passengers to be loaded or off-loaded along a multi-lane highway or multi-lane private road must be designed to ensure that a student is not required to cross a multi-lane highway or multi-lane private road.

The House amended, approved, and sent to the Senate H.3684, a bill **LIMITING USE OF BLUE LIGHTS TO LAW ENFORCEMENT VEHICLES**. The bill provides that it shall be unlawful for any person to possess or display on any vehicle any blue light that is visible from outside the vehicle except one used primarily for law enforcement purposes. The bill also establishes revised provisions for use of flashing lights on police vehicles. The bill provides that all police vehicles when used as authorized emergency vehicles must be equipped with oscillating, rotating,



or flashing blue lights. In addition to the blue lights, the police vehicle may, but need not be equipped with alternatively flashing red lights and may but need not be equipped with oscillating, rotating, or flashing red lights, white lights, or both in combination with the required blue lights. The authorized emergency police vehicle lights must be visible for a distance of five hundred feet in all directions in normal sunlight.

The House amended, approved, and sent to the Senate **H.3673**, a bill providing new procedures for permanency planning hearings for children in **FOSTER CARE**. The bill requires the Department of Social Services to show compelling reasons for a permanency plan that does not reunite a child with his parents or a relative and does not terminate parental rights. The bill requires the court to find compelling reasons for approving such a plan. The bill further specifies the court's authority and standards that must be met after adoption viability is considered, foster care is continued, and termination of parental rights is not initiated. The bill revises standards for termination of parental rights, so as to require the court to find compelling reasons for not initiating termination of parental rights under certain circumstances, rather than presuming that such circumstances in and of themselves are compelling reasons. The bill revises provisions relating to fingerprint reviews of foster care license applicants, so as to eliminate provisions authorizing the department to issue temporary licenses pending receipt of the results of the Federal Bureau of Investigation review.

The House amended, approved, and sent to the Senate **H.3460**, a bill providing that **CARETAKERS OF THE SEVERELY DISABLED MAY BE EXCUSED FROM JURY DUTY**. Under this bill, a person who is the primary caretaker of a severely disabled person who cannot otherwise care for himself or be left unattended, may furnish an affidavit to the clerk of court stating that he is unable to provide adequate care for the severely disabled person while performing jury duty and shall be excused from jury service by the presiding judge.

The House approved and sent to the Senate **H.3926**, a bill authorizing **ADDITIONAL TIME TO MEET LIFE SCHOLARSHIP ELIGIBILITY REQUIREMENTS FOR STUDENTS ON ACTIVE NATIONAL GUARD DUTY**. The bill provides that a student receiving a LIFE Scholarship on and after September 11, 2001, who is a member of the national guard or reserves and who is called to active duty after this date in connection with the conflict in Iraq or the war on terrorism shall have additional semesters to complete his eligibility equal to the semester he was activated plus any additional semesters or portions of semesters missed as a result of the activation.

The House approved and sent to the Senate **H.3455**, a bill **REVISING PENALTIES FOR MISUSE OF VITAL STATISTICS**. The bill provides that someone who willfully violates a regulation or departmental order relative to recording, reporting, or filing information for the Bureau of Vital Statistics is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars and/or imprisoned not more than one year. The bill provides that a violator of another provision regarding

misuse of vital statistics is guilty of a felony and, upon conviction, must be fined not more than ten thousand dollars and/or imprisoned not more than five years.

The House approved and sent to the Senate H.3722, a bill providing **ADDITIONAL CIRCUMSTANCES UNDER WHICH PHOTOGRAPHS, VIDEOS, AND AUDIO RECORDINGS OF AN AUTOPSY MAY BE VIEWED**.

The House amended, approved, and sent to the Senate H.3234, a bill **ELIMINATING THE REQUIREMENT THAT PROHIBITS A MEMBER OF THE GENERAL ASSEMBLY FROM BEING ELECTED TO A JUDICIAL OFFICE FOR ONE YEAR AFTER LEAVING LEGISLATIVE OFFICE**. By eliminating this provision, the legislation allows a legislator to serve in the General Assembly until filing for a judicial office.

The House approved and sent to the Senate H.3902, a bill relating to the **ENFORCEMENT OF STATE CRIMINAL LAWS BY FEDERAL LAW ENFORCEMENT OFFICERS**. The bill revises the definition of "federal law enforcement officer" to include United States Department of Agriculture Forest Service law enforcement officers and special agents.

The House amended, approved, and sent to the Senate H.3044, a bill relating to **REGIONAL WASTEWATER TREATMENT FACILITIES IN THE CATAWBA RIVER BASIN**. This bill prohibits the Department of Health and Environmental Control from issuing permits to construct or operate a new regional wastewater treatment facility that discharges into waters included in the Catawba River Basin unless a comprehensive water quality study is conducted. "New regional wastewater treatment facility" is defined in the bill as a new facility with a capacity of at least ten million gallons a day or an expansion of an existing facility to at least ten million gallons a day serving primarily domestic wastewater sources from two or more counties discharging into the waters of this State. The bill delineates items that must be included in the study, and requires that costs of the study must be paid by the permit applicant. The bill also requires that the study allow participation by impacted local governments and citizens, and requires that DHEC must consider the results of the study in making its determination on permit applications.

## HOUSE COMMITTEE ACTION

### AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS

The Agriculture, Natural Resources, and Environmental Affairs Committee reported favorable with amendment on H.3044, a bill relating to **REGIONAL WASTEWATER TREATMENT FACILITIES**. As reported by the Committee, this bill prohibits the Department of Health and Environmental Control from issuing permits to construct or operate a new regional wastewater treatment facility that discharges into waters included in the Catawba River Basin unless a comprehensive water quality study is



conducted. "New regional wastewater treatment facility" is defined in the bill as a new facility with a capacity of at least ten million gallons a day or an expansion of an existing facility to at least ten million gallons a day serving primarily domestic wastewater sources from two or more counties discharging into the waters of this State. The bill delineates items which must be included in the study, and requires that costs of the study must be paid by the permit applicant. The bill also requires that the study allow participation by impacted local governments and citizens, and requires that DHEC must consider the results of the study in making its determination on permit applications.

## JUDICIARY

The full House Judiciary Committee met on Tuesday, April 1, and reported out several bills.

The committee gave a report of favorable with amendment on H.3234, a bill **ELIMINATING THE REQUIREMENT THAT PROHIBITS A MEMBER OF THE GENERAL ASSEMBLY FROM BEING ELECTED TO A JUDICIAL OFFICE FOR ONE YEAR AFTER LEAVING LEGISLATIVE OFFICE**. By eliminating this provision, the legislation allows a legislator to serve in the General Assembly until filing for a judicial office.

The committee gave a report of favorable with amendments on H.3460, a bill providing that **CARETAKERS OF THE SEVERELY DISABLED MAY BE EXCUSED FROM JURY DUTY**. Under this bill, a person who is the primary caretaker of a severely disabled person who cannot otherwise care for himself or be left unattended, may furnish an affidavit to the clerk of court stating that he is unable to provide adequate care for the severely disabled person while performing jury duty and shall be excused from jury service by the presiding judge.

The committee gave a report of favorable with amendment on H.3684, a bill **LIMITING USE OF BLUE LIGHTS TO LAW ENFORCEMENT VEHICLES**. The bill provides that it shall be unlawful for any person to possess or display on any vehicle any blue light that is visible from outside the vehicle except one used primarily for law enforcement purposes. The bill also establishes revised provisions for use of flashing lights on police vehicles. The bill provides that all police vehicles when used as authorized emergency vehicles must be equipped with oscillating, rotating, or flashing blue lights. In addition to the blue lights, the police vehicle may, but need not be equipped with alternatively flashing red lights and may but need not be equipped with oscillating, rotating, or flashing red lights, white lights, or both in combination with the required blue lights. The authorized emergency police vehicle lights must be visible for a distance of five hundred feet in all directions in normal sunlight.

The committee gave a report of favorable with amendments on H.3673, a bill providing new procedures for permanency planning hearings for children in **FOSTER CARE**. The bill requires the Department of Social Services to show compelling

reasons for a permanency plan that does not reunite a child with his parents or a relative and does not terminate parental rights. The bill requires the court to find compelling reasons for approving such a plan. The bill further specifies the court's authority and standards that must be met after adoption viability is considered, foster care is continued, and termination of parental rights is not initiated. The bill revises standards for termination of parental rights, so as to require the court to find compelling reasons for not initiating termination of parental rights under certain circumstances, rather than presuming that such circumstances in and of themselves are compelling reasons. The bill revises provisions relating to fingerprint reviews of foster care license applicants, so as to eliminate provisions authorizing the department to issue temporary licenses pending receipt of the results of the Federal Bureau of Investigation review.

The committee gave a favorable report H.3455, a bill **REVISING PENALTIES FOR MISUSE OF VITAL STATISTICS**. The bill provides that someone who willfully violates a regulation or departmental order relative to recording, reporting, or filing information for the Bureau of Vital Statistics is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars and/or imprisoned not more than one year. The bill provides that a violator of another provision regarding misuse of vital statistics is guilty of a felony and, upon conviction, must be fined not more than ten thousand dollars and/or imprisoned not more than five years.

The committee gave a report of favorable with amendments on H.3722, a bill providing **ADDITIONAL CIRCUMSTANCES UNDER WHICH PHOTOGRAPHS, VIDEOS, AND AUDIO RECORDINGS OF AN AUTOPSY MAY BE VIEWED**.

The committee gave a report of favorable with amendments on H.3507, a bill pertaining to the **AUTHORITY TO INSPECT LEASED REAL ESTATE, FIXTURES, AND EQUIPMENT**. This bill provides that when real estate, fixtures, or equipment are the subject of a commercial lease agreement, the lessor has the right to enter the premises to ensure that the leased real estate, fixtures, and equipment are being used in a reasonable and safe manner and are not being negligently or deliberately destroyed, defaced, damaged, impaired, abused, or removed. The lessor may not abuse the right to enter the premises and may not use this right of access to harass the lessee. Except in the case of a demonstrable emergency, the lessor shall give the lessee at least twenty-four hours' notice of his intent to enter and the entry must be scheduled at a reasonable time. A lessee may not unreasonably withhold consent to the lessor to enter the subject premises. If the lessee unreasonably withholds consent to the lessor to allow lawful access to the subject premises, the lessor may obtain injunctive relief in the magistrate's court or the circuit court in the county in which the property is located, without posting bond, to compel access. If injunctive relief is sought, the lessor may recover actual damages and reasonable attorney's fees and costs.

The committee gave a report of favorable with amendment on H.3409, a bill **RESTRICTING THE USE OF CERTAIN LAWFUL FIREWORKS**. The bill provides that it is unlawful to discharge or propel otherwise lawful fireworks classified as 1.4G explosives by the United States Department of Transportation: (1) on, from, over,



or onto private property without prior consent of the landowner or the agent of the landowner; and (2) on, from, over, or onto public property which is under the jurisdiction of the Bureau of Ocean and Coastal Resource Management, except as authorized by permit of the appropriate governmental authority. A person violating the provisions is guilty of a misdemeanor and, upon conviction, must be punished: (1) for a first offense, by a fine of not more than one hundred dollars or imprisonment for not more than thirty days, or both; and (2) for a second and subsequent offenses, by a fine of not less than two hundred dollars nor more than the jurisdictional amount for magistrate's court or imprisonment for not less than thirty days, or both. The bill provides for required notification of the provisions in the form of signs or placards that must be displayed prominently in all places where fireworks are sold.

**S.228**, a bill establishing a **SPECIAL FOOD MANUFACTURER'S LICENSE** was recommitted to the Special Laws Subcommittee.

## **BILLS INTRODUCED IN THE HOUSE THIS WEEK**

### **AGRICULTURE, NATURAL RESOURCES, AND ENVIRONMENTAL AFFAIRS**

#### **H.3914 FEDERAL OZONE STANDARD** Rep. Vaughn

This concurrent resolution supports activities of the Department of Health and Environmental Control in the establishment and implementation of South Carolina's Early Action approach for complying with the new mandated Federal ozone standard. The resolution establishes dates and milestones for plan implementation and provides for establishment of an intergovernmental workgroup to promote the reduction of air pollution throughout the State.

#### **S.285 GAME FISH CREEL LIMITS** Sen. Gregory

This bill provides that not more than five trout may be taken in any one day from that portion of the lower Saluda River between the Lake Murray Dam and the confluence of the Broad River.

#### **H.3931 TRAPPING OF FURBEARING ANIMALS** Rep. Snow

This bill repeals current sections of law which prohibit the use of certain foot-hold traps.

The bill provides that body gripping traps are allowed when used without bait or scents for water sets and vertical slide sets only. The bill allows the use of foot-

hold traps of a size number two or smaller for land sets and a size number three or smaller for water sets.

**S.164 REQUIREMENT FOR FISHERIES HATCHERY STAMP** Sen. Gregory

This bill provides that it is a misdemeanor for a person to take certain specified fish in South Carolina freshwaters without first procuring, and then having in his or her possession, a State freshwater fisheries hatchery stamp. The bill provides for furnishing the stamp and for use of proceeds from the sale of the stamp, and the bill provides penalties for violation of this requirement.

**H.3939 SEWAGE AND WASTEWATER DISPOSAL** Rep. Sandifer

This bill establishes laws regarding the installation and use of passive soil-based on-site disposal systems used to collect, treat, discharge, or reclaim wastewater or sewage from dwelling units without the use of community-wide servers or a centralized treatment facility. The bill is intended to provide South Carolina citizens with safe and healthy alternatives to traditional gravel-based sewage disposal systems.

## EDUCATION AND PUBLIC WORKS

**S.478 TOTAL LOSS CLAIM ON VEHICLE/ALLOCATION OF CERTAIN  
HIGHWAY DEPARTMENT FEES** Sen. Ryberg

This bill provides that when an insurance company obtains title to a vehicle from settling a total loss claim, the insurance company may obtain a title to the vehicle designated as "salvage."

Current law provides that five dollars of the ten dollar fee currently charged for issuance or transfer of a motor vehicle certificate of title, or issuance of a duplicate title, must be placed in a special earmarked account, and the first million dollars of this account must be distributed to the Department of Education to support adult education programs. This bill provides that this first million dollars must be distributed to the Department of Education annually.

**S.154 FINGERPRINTING FOR EDUCATION CERTIFICATION** Sen. Giese

This bill revises procedures and timelines for fingerprint review and criminal record checks for applicants for initial education certification.

**H.3928 "LAW ENFORCEMENT SUPPORTER" SPECIAL LICENSE  
PLATES** Rep. Whitmire

This bill authorizes and provides for "Law Enforcement Supporter" special motor vehicle license plates.



## JUDICIARY

### **S.305 RATIFICATION OF CONSTITUTIONAL AMENDMENT ON FIREFIGHTER PENSION INVESTMENTS** Sen. Leatherman

This bill ratifies the amendment to the South Carolina Constitution allowing a separate pension plan operated for firefighters by a municipality, county, special purpose district, or public service district to invest its funds in equity securities traded on a national securities exchange.

### **S.425 LEXINGTON COUNTY VOTING PRECINCTS REVISIONS** Sen. Setzler

This bill makes revisions regarding voting precincts in Lexington County, so as to rename certain precincts and redesignate a map number for the map on which lines of these precincts are delineated and maintained by the Office of Research and Statistical Services of the State Budget and Control Board.

### **H.3915 PROBATE COURT APPEALS** Rep. Sinclair

This bill provides that the court of appeals must hear appeals directly from the probate court.

### **H.3916 JURISDICTION REGARDING VALIDITY OF MARRIAGES AND PATERNITY** Rep. Sinclair

This bill eliminates the exclusive jurisdiction of the family court to hear and determine actions as to the validity of marriages and the paternity of an individual, and provides, instead, for concurrent jurisdiction with the family court and the probate court in those actions.

## LABOR, COMMERCE AND INDUSTRY

### **H.3901 MANUFACTURED HOUSING LICENSE EXEMPTIONS** Rep. Thompson

This bill extends the manufactured housing license exemption to include banks and finance companies licensed by the South Carolina Manufactured Housing Board that acquire manufactured homes which are situated on or affixed to real property as an incident to their regular business.

### **H.3909 MANUFACTURED HOMES AFFIXED TO REAL PROPERTY** Rep. Lucas

This bill provides a uniform procedure to retire the title certificate to certain manufactured homes affixed to real property. The bill provides for the creation of a procedure by which a manufactured home affixed to real property may be subject to a mortgage on the real property to which the manufactured home is affixed.

## WAYS AND MEANS

### **H.3899 *SOUTH CAROLINA RESEARCH UNIVERSITY RESTRUCTURING AND INFRASTRUCTURE ACT OF 2003* Rep. Harrell**

This comprehensive bill revises certain current provisions in order to allow research universities to focus on research and development and to focus on their role in a knowledge-based economy.

The bill creates and provides for the South Carolina Research Oversight Council (the Council) to provide oversight of Clemson University, the University of South Carolina, and the Medical University of South Carolina as the three Research Universities in South Carolina. These institutions would no longer be members of the Commission on Higher Education.

The bill also allows the three Research Universities to participate in the allocation of bonds authorized by the Economic Development Bond Act for the purposes of capital expenditures on research infrastructure under specified procedures.

The bill allows and provides for these Research Universities to lease property to private companies, allowing these companies to construct facilities and then lease the facility back to the university or lease to complementary private companies related to the University mission.

The bill includes other provisions intended to give these Research Universities the flexibility and responsibility to assume a greater role in the State's economic development. These provisions include, but are not limited to: removal of the cap for federal/other funded employee bonus pay; provision of graduate student health benefits; allowing establishment of research grant positions without regard to the university's authorized allocation of FTE's; and increasing the maximum allowed number of education fee waivers at these universities from 2% to 4% of the student body.

### **H.3900 *VENTURE CAPITAL INVESTMENT ACT OF SOUTH CAROLINA* Rep. Harrell**

This bill establishes within the Department of Commerce a fund governed by a seven member board to promote investment in knowledge-based technology companies. The bill's stated intent is to increase the availability of equity, near equity, or seed capital of at least one hundred million dollars for emerging, expanding, relocating, and restructuring enterprises in South Carolina, so as to strengthen the State's economic base and to support the State's economic goals. The bill is also intended to address long-term capital needs of small-sized and medium-sized firms, to address the needs of micro enterprises, to expand availability of venture capital, and to increase international trade and export finance opportunities for South Carolina based companies.



Under the bill, the Fund would borrow monies up to one hundred million dollars from banks and insurance companies and invest those monies in professionally managed venture capital companies. Monies would flow on an "as needed" basis to the venture capital companies pursuant to capital calls from those companies. The venture capital companies would then invest those monies in qualified companies in South Carolina. The bill defines "venture capital" as equity, near equity, and seed capital financing including, without limitation, early stage research and development capital for startup enterprises, and other equity, near equity, or seed capital for growth and expansion of entrepreneurial enterprises.

**H.3903 MUNICIPAL CAPITAL PROJECTS SALES TAX ACT Rep. Limehouse**

This bill authorizes and provides for the imposition by referendum of a one cent sales and use tax in a municipality for a limited period of time, for specific projects, and to collect a limited amount of money.

**H.3917 AGGRESSIVE DRIVING OFFENSES/BRAIN INJURY TRUST  
*FUND* Rep. Littlejohn**

This bill provides for a ten dollar surcharge to be levied (in addition to all other charges) for aggressive driving offenses as those offenses are specified in the bill. The bill also provides for use of the revenue from this surcharge, particularly creation of the South Carolina Traumatic Brain Injury Trust Fund, whose Board would oversee the disbursement of the Fund's revenue to organizations involved with traumatic brain injuries and to other purposes the Board deems appropriate.

**H.3918 DRYCLEANING FACILITIES Rep. Kirsh**

This bill includes numerous environmental and taxation provisions relating to the drycleaning industry.

**H.3919 TAXATION Rep. Kirsh**

This is the Department of Revenue's annual "clean-up bill," which amends numerous sections of the Tax Code including, but not limited to, property tax appeals, duties of the Department of Revenue, the accommodations tax, and job tax credit.

**H.3925 ASSESSMENT RATIO FOR CERTAIN AIRCRAFT Rep. Witherspoon**

This bill allows the governing body of a county by ordinance to reduce the assessment ratio other applicable in determining the assessed value of general aviation aircraft to a ratio not less than four percent of the fair-market value of the aircraft. The bill further provides that the ordinance must apply uniformly to all general aviation aircraft subject to property tax in the county.

**S.538 CREATION OF JOINT PORT AUTHORITY Sen. Richardson**

This bill urges the Governors of South Carolina and Georgia to create by Executive Order a commission to study the feasibility of creating a Joint Port Authority and to have this commission report to the Governors and legislatures of both states as soon as possible.

**S.463 PROPERTY OF DEPARTMENT OF DISABILITIES AND SPECIAL NEEDS (DDSN) Sen. Leatherman**

This bill confirms DDSN's ownership of a certain 285 acre tract of land in Richland County and directs the State Budget and Control Board to deed this property to DDSN and allow DDSN the proceeds of any sale of the property. The transfer of this property from the Department of Mental Health to the Department of Mental Retardation was authorized by the General Assembly in 1972 but no deed was executed. DDSN is the successor agency to the Department of Mental Retardation.

**S.480 USE OF LOCAL ACCOMMODATIONS TAX REVENUE Sen. Pinckney**

Current law authorizes counties collecting at least \$900,000 a year in accommodations taxes to use the revenue for specified operation and maintenance purposes including, but not limited to certain facilities, lands, roads, and infrastructure. This bill provides that in a county which collects less than nine hundred thousand dollars a year in accommodations taxes, up to fifty percent of the revenue in the preceding fiscal year of the local accommodations tax may be used for these purposes including police and fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those specified facilities.

**H.3929 SOUTH CAROLINA LIFE SCIENCES ACT Rep. Wilkins**

This bill enacts the *South Carolina Life Sciences Act*, defining a "life sciences facility" as a business engaged in pharmaceutical medicine, and related laboratory instrument manufacturing, processing, or research and development. Included in this definition are specified North American Industrial Classification Systems, NAICS Codes published by the Office of Management and Budget of the federal government.

The bill provides eligibility for employee relocation expense reimbursement and the waiver allowed on the limit for job development credits for purposes of the Enterprise Zone Act, for a life sciences facility project in which is invested at least one hundred million dollars and at which at least two hundred new jobs are created with annual cash compensation at least one hundred fifty percent of South Carolina's average *per capita* income. Under prescribed conditions, the bill allows the Department of Revenue to enter into an agreement for allocation and apportionment of corporate income tax with a taxpayer who is establishing a life sciences facility. The bill increases from 10% to 15%, the annual depreciation allowance for use of clean rooms and provides a 20% annual depreciation allowance for machinery and equipment used directly for manufacturing in a life sciences facility. The bill also revises the State General Obligation Economic Development Bond Act so as to allow these bonds to be used for infrastructure for a life sciences facility in a project in which is invested at least one hundred million dollars and at which at least two hundred new jobs are created with an annual cash compensation at least twice the South Carolina *per capita* income. The bill provides that such infrastructure is not required to be located at the project.



**H.3932 TUITION FOR SPOUSES OF CERTAIN EMPLOYEES WHO ARE  
KILLED OR DISABLED IN THE LINE OF DUTY** Rep. Townsend

This bill provides a tuition exemption at certain state-supported higher education institutions for spouses of certain firemen, law enforcement officers, and government employees killed in the line of duty. Currently, children of these individuals are allowed this exemption. The bill also includes summer semesters in the four years that persons may receive the exemption. The bill also includes spouses in the application of exemptions provided when such firemen, officers, and employees are totally disabled in the line of duty.

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